



SBB announces strategic update regarding a number of focus areas – Board’s ambition is to propose a dividend of SEK 1 per A and B ordinary share to the 2021 Annual General Meeting

In a strategy meeting held today, the Board of Directors of Samhällsbyggnadsbolaget i Norden AB (publ) (“SBB”) has decided on a number of focus areas as a complement to the company’s financial and operational targets. The focus areas connect to the capital markets day held in June 2020, and are presented for the purpose of providing the capital market with an updated view of the company’s future direction.

Focus on property management: The integration of Hemfosa is now fully completed. The company has kept the best of both organisations and created a common management organisation with three areas – community service properties, residential properties and LSS special needs housing – that ensures an efficient and quality-focused property management going forward.

Focus on building rent-regulated residentials in Stockholm and Gothenburg: Of the previously announced target to reach a property portfolio value of SEK 125 billion in 2025, at least SEK 15 billion of the property value shall comprise of rent-regulated residentials in Stockholm and Gothenburg. In addition to acquisitions, SBB will use its large building rights portfolio to build rent-regulated residentials both for own management and through joint ventures with parties that take the construction risk.

Focus on elderly care homes: The number of elderly care homes under own management will increase significantly, and as a result the total rental income from elderly care homes and LSS special needs housing will be doubled by year 2025, from the current level of roughly SEK 800 million to SEK 1.6 billion per year. SBB believes that the needs for elderly care homes will continue to grow as the population ages. Among the Nordic welfare states, 1.98 per cent of GDP on average is spent on elderly care.

Focus on rating: The company’s assessment is that it already today, based on its financial position, fulfils the parameters that are required to reach BBB, as well as BBB+ based on the current earnings capacity. SBB will actively work for the actual rating to reflect the company’s financial position and earnings capacity.

Focus on sustainability: SBB’s Board of Directors has established a Sustainability Committee chaired by Sven-Olof Johansson. Mats Andersson, previously CEO of the Fourth Swedish National Pension Fund (AP4) and a pioneer in sustainable investing, will join the committee as an external member. SBB will also launch a framework for social sustainability bonds.

Focus on dividend: SBB’s dividend policy is to generate a steadily increasing annual dividend per A and B ordinary share. Based on the current position and outlook, the Board’s ambition is to propose a dividend of SEK 1 per A and B ordinary share to the 2021 Annual General Meeting.

“SBB’s task is to be a reliable and long-term sustainable company that delivers shareholder value, good profitability and strong results in all situations. Earlier this year, we announced ambitious targets, and now we accelerate further with clear focus areas that show the future direction of the company. We believe that SBB can help in solving the housing shortage in Sweden’s two largest metropolitan regions by building rent-regulated residentials, while also strengthening our position within social infrastructure with focus on elderly care homes and LSS special needs housing. Parallel with the property management, SBB continues to work towards the target of achieving a BBB+ rating and to clarify the sustainability of our business. To have a pioneer like Mats Andersson joining our Sustainability Committee show where our ambitions are. All in all, and based on our view of SBB’s continued progress, it is encouraging to see that the Board already now announces an ambition to increase the dividend to SEK 1 per A and B share next year, fully in line with our target”, says Ilija Batljan, CEO and Founder of Samhällsbyggnadsbolaget i Norden AB.

For further information, please contact:

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Samhällsbyggnadsbolaget i Norden AB (publ) (SBB) is the Nordic region’s leading property company in social infrastructure. The Company’s strategy is to long term own and manage social infrastructure properties in the Nordics and rent regulated residential properties in Sweden, and to actively work with property development. Through SBB’s commitment and engagement in community participation and social responsibility, municipalities and other stakeholders find the Company an attractive long-term partner. The Company’s series B shares (ticker SBB B) and D shares (ticker SBB D) are listed on Nasdaq Stockholm, Large Cap. The Company’s preference shares (ticker SBB PREF) are listed on Nasdaq First North Premier Growth Market. Certified Adviser is Erik Penser Bank (contact: certifiedadviser@penser.se / +46 84638300). Further information about SBB is available at www.sbbnorden.se.